

MINUTES OF THE DECEMBER 15, 2011
REGULAR MEETING
OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sean Tapia, Paul Willumstad

Also Present: Administrator Rick Kidd, Counselor Don Banner

Guests: Carla Sikes, Assistant City Attorney
Earl Wilkinson, City of Pueblo Director of Public Works
Mark Kennedy, Stifel-Nicolaus Representative
Calvin Mason, Wells Fargo Advisors Representative
Jim Munch, Executive Director of the HARP Authority
Fran Reed, Executive Director of the Southeastern Colorado Heritage Center

With a quorum present, the Pueblo Conservancy District regular board meeting was called to order at 10:05 am.

It was noted that the postings of the meeting notice and agenda were made at the Interim City Hall, the Heritage Center, the Thatcher Building and the County Courthouse.

Minutes:

The minutes of the November 17, 2011 Regular Meeting were reviewed. Willumstad moved to approve the minutes. Motion passed.

Treasurer's Report:

The accountant's report for November was reviewed. Kidd explained that the \$3299.19 check was to pay back the Pueblo Housing Authority for an over assessment of the Union Plaza Senior Housing building. When the 2010 maintenance fund assessments were being determined a valuation factor for commercial properties had been applied rather than for residential. The prior Board had committed to repay the amount over what the assessment should have been. Willumstad moved to receive and file the report and pay the bills. Motion passed.

Bills – The following bills were posted for review and approval:

\$ 530.00	Black Hills Energy, Runyon Lake Lighting Electricity
\$ 300.00	MBD&G, Accountant fees
\$ 400.00	Banner and Bower, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 56.61	Phillips, Director's Fee
\$ 56.61	Tapia, Director's Fee
\$ 56.61	Willumstad, Director's Fee
\$ 49.50	Pueblo Chieftain, Budget Notice Publication
\$ 55.00	Post Master, Post Office Box Rental
\$ 3299.19	Pueblo Housing Authority, Union Plaza Senior Housing building

Mark Kennedy, Stifel-Nicolaus – Kennedy stated that he had managed this account for the District for over 15 years. The investments are limited to federal government mortgage bonds. There is currently \$293,518 invested in bonds and \$31,650 in a money market account. When asked, he confirmed that 100 percent of the money is in government bonds. The investment

December 15, 2011 Minutes, Page 2 of 3

opportunities are limited due constraints imposed on governmental entities and the Colorado State Auditor.

Calvin Mason, Wells Fargo Advisors – Mason stated that he has managed this account since 2004 and that it is also in government bonds. The yield this year has been affected by a strong bond market. His bonds are similar to those of Stifel-Nicolaus. The investments are limited by what the Code allows. The District's investments have had a yield of about 7.6 percent year to date, but about 4 percent is probably in the area of what should currently be anticipated. Bond repayments have typically collected in a money market account with \$50,000 being the trigger point where he would ask the Board if they wanted to reinvest the funds.

Jim Munch, HARP Authority -- The 1921 Flood lead to the creation of the Pueblo Conservancy District. The original purpose of the District was for flood control, but the District became active in actual redevelopment of the downtown Pueblo area as well. The work that the District assisted in went well beyond just construction of the Arkansas and Wildhorse levees. Creation of the HARP project come out of the Pueblo Conservancy District Board of Directors as a project to benefit the City. In 1994 the District went to the Colorado Legislature to get a change in the authority to allow the District to clean up the Lake Elizabeth area. As a result, the State changed the allowable activities for all conservancy districts to include recreational development. The long term plan of the HARP Authority is to extend the Riverwalk project on to Lake Runyon. The improvement concepts provide for additional opportunities to continue cleaning up the havoc of the 1921 Flood. The Pueblo Conservancy District has a Court Order allowing for an annual contribution of \$50,000 in support of the IGA and an additional \$10,000 per year for maintenance support. The HARP channel also allows for rerouting of Arkansas River flows to aid in Levee maintenance. Munch requested that the District maintain funding at \$50,000 for 2012. Munch would like to see the District and HARP Authority to collectively move forward with this project, which originally came out of the District.

Tapia expressed concerns that the District does not currently have an outside source of income in 2012 and is living off of investment interest. Munch stated that the \$50,000 provided by the District goes into their operations and maintenance budget, not special activities. The HARP 2012 budget was based upon flat funding from last year, but they do have a reserve account that they can dip into if necessary. Willumstad recommended that the District stay at the proposed \$35,000 level, and then take a look at it in 6 months after the appraisals are done. If the District will have an income stream it may be possible to restore the full historic funding level to HARP. The Board wants to be on record that the HARP Authority is doing a good job and has done great things for the City.

President's Report – None.

Administrator's Report – The Highline Canal intends to start their riverbank stabilization project after the Colorado Canal starts taking their winter water out of the River. The Colorado Canal diversion is upstream from the damage area and their water diversions will lower the flows that the Highline must deal with.

Fran Reed, Southeastern Colorado Heritage Center – The Heritage Center receives their funding from various dues paying member organizations, plus major funding from the City of Pueblo. There are currently nine member organizations. Along with the funding received from the dues payments, organization support is also very important to the Center. When they apply for grants they need to show local support of their projects. This local support is documented by the number of member organizations and the number of their members. The Heritage Center has developed a Conservancy District exhibit area.

December 15, 2011 Minutes, Page 3 of 3

Earl Wilkinson said that the City could provide storage space for District property at their purchasing facility. The District could generally hold their meetings at the Community Room at the Police Building. The City had originally thought that they would be able to provide a location on Santa Fe Avenue that could be "home" for the District. However, they cannot commit to this. After discussion, Willumstad moved to renew the membership with the Heritage Center and Kidd is to talk to them about increasing our presence at the Center to establish it as our "home". Motion passed.

Old Business:

Banner reported that the Motion for Appraisers has been filed with the Court. He has not yet received it back from Judge Maes. He will send it out to the members of the Board as soon as he receives it.

New Business:

Appraisal RFP – Earl Wilkinson passed out a draft of a request for proposals. He apologized for not responding back to Kidd's calls so that they could work together on this. The draft includes options for how the appraisal work may proceed. Banner thinks that the District may want to determine the amount of funding required and the appraisers would then determine the most equitable way to assess the maintenance fund. Board members, Kidd and Banner are to provide their comments to Wilkinson and then review the draft request for proposals at the January 2012 meeting.

2012 Meeting Notice and Resolution – After discussion of the Directors' and Consultants' calendars it was decided that the fourth Wednesday of each month, at 11:00 am would be acceptable meeting dates and time for 2012. The exception will be that the January 25 meeting will begin at 10:30 am to allow additional time to discuss the appraisal RFP. The place of meetings will continue to be the Southeastern Colorado Heritage Center. The places for posting of the meeting schedule will be the Interim City Hall, the Heritage Center, the Thatcher Building, and the Pueblo County Court House. Willumstad so moved. Motion passed.

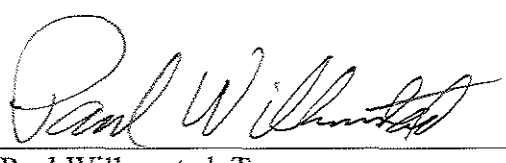
Other Business:

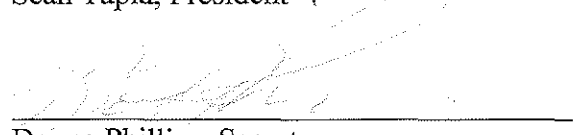
As agreed at the November 17, 2011 Regular Meeting, the final adoption of the 2012 budget will be at a Special Meeting to be held on December 22, 2011. The meeting will be at the Heritage Center and will commence at 10:00 am.

There being no further business to come before the Board, the business meeting was adjourned at 11:37 am. The next regular meeting date will be January 25, 2012.

APPROVED:


Sean Tapia, President


Paul Willumstad, Treasurer


Donna Phillips, Secretary



McPherson,
Breyfogle,
Daveline &
Goodrich, PC
Certified Public Accountants

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors
The Pueblo Conservancy District
Pueblo, Colorado

We have compiled the accompanying balance sheets – general fund only – of the Pueblo Conservancy District as of November 30, 2011 and December 31, 2010, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the eleven months ended November 30, 2011 and the year ended December 31, 2010. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McPherson, Breyfogle, Daveline & Goodrich, PC

December 14, 2011

VEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
NOVEMBER 30, 2011 AND DECEMBER 31, 2010

	<u>11/30/2011</u>	<u>12/31/2010</u>
ASSETS		
VECTRA BANK CHECKING	\$ 146,571	\$ 78,575
VECTRA BANK MONEY MARKET	11,894	11,889
BROKERAGE MONEY MARKET ACCOUNTS	93,909	111,913
COLOTRUST INVESTMENT	25,000	25,000
WELLS FARGO INVESTMENT	525,914	591,717
STIFEL NICOLAUS INVESTMENT	263,030	309,261
ACCRUED INTEREST	<u>-</u>	<u>3,669</u>
 TOTAL ASSETS	 <u>\$ 1,066,318</u>	 <u>\$ 1,132,024</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 800
PAYROLL TAXES PAYABLE	132	395
DEFERRED INCOME	<u>1,250</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>1,382</u>	 <u>2,237</u>
RESERVE FOR EMERGENCIES	-	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	92,330	-
UNDESIGNATED	<u>972,606</u>	<u>1,123,787</u>
	-	-
 TOTAL FUND EQUITY	 <u>1,064,936</u>	 <u>1,129,787</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,066,318</u>	 <u>\$ 1,132,024</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE TEN MONTHS ENDED NOVEMBER 30, 2011
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2010

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2011 BUDGET	UNUSED BUDGET	2010 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 2	\$ 28	\$ -	\$ -	\$ 50
MONEY MARKET ACCOUNTS	1	22	-	-	38
WELLS FARGO	2,118	21,351	-	-	26,656
STIFEL NICOLAUS	1,212	12,154	-	-	18,258
UNREALIZED GAINS (LOSSES)	(5,043)	19,945	-	-	2,674
TOTAL INTEREST INCOME	(1,710)	53,500	40,000	(13,500)	47,676
MAINTENANCE FUND ASSESSMENT	-	176,552	332,000	155,448	169,415
LEASE PAYMENTS	208	2,292	2,500	208	2,500
OTHER INCOME	-	15,132	-	(15,132)	-
TOTAL REVENUES	\$ (1,502)	\$ 247,476	\$ 374,500	\$ 127,024	\$ 219,591
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 16,614	\$ 4,800	\$ (11,814)	\$ 4,800
81 DIRECTORS FEES	180	2,340	3,000	660	2,580
82 FICA TAXES	-	-	230	230	197
83 ENGINEER/ADMINISTRATIVE	781	5,687	6,000	313	6,000
90 AUDIT & BOOKKEEPING	300	3,000	3,900	900	3,600
92 INSURANCE/BONDS	-	3,056	3,200	144	817
96 OFFICE EXPENSE	40	788	500	(288)	228
97 OFFICE RENT	50	890	1,000	110	940
100 PROFESSIONAL FEES	-	4,540	10,000	5,460	6,241
APPRAISAL	-	-	3,000	3,000	-
103 TRAVEL	-	-	1,200	1,200	-
105 REPAIRS & MAINTENANCE	-	19,786	50,000	30,214	30,508
ARKANSAS RIVER LEVEE REPAIRS	-	194,174	220,000	25,826	-
LEVEE CERTIFICATION-PRELIM	-	-	50,000	-	-
108 CONTINGENCIES	-	-	5,000	5,000	-
109 EMERGENCY REPAIR	-	-	15,000	15,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	23,265
111 PLANNING & DEVELOPMENT	-	1,453	5,000	3,547	-
112 HARP - O & M / HARP - IGA CNTRB	-	60,000	60,000	-	61,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	1,751	312,328	466,830	154,502	140,176
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (3,253)	\$ (64,852)	\$ (92,330)	\$ (27,478)	\$ 79,415

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
11/30/2011

12/14/2011 9:08 AM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2010</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 11/30/2011</u>	<u>INTEREST RECEIVED 11/30/2011</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,888.97	5.44	-	-	11,894.41	5.44
STIFEL NICOLAUS	Money Market Account				53,074.99	48,575.33	-	70,000.00	31,650.32	12.77
WELLS FARGO	Cash Sweep Account				58,838.29	83,419.96	-	80,000.00	62,258.25	3.34
TOTAL CASH ACCOUNTS WITH BROKERS					123,802.25	132,000.73	-	150,000.00	105,802.98	21.55
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00		-	-	25,000.00	31.94
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	31.94
WELLS FARGO	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	17,075.14	-	(79.52)	15,000.00	1,995.62	333.33
	FHLMC 2640 LL RETAIL LOTTERY	7/15/2033	5.000%	70,000.00	999.20	-	0.80	1,000.00	-	4.17
	FNMA 06-107 PD REMIC MULTICLASS CMO	6/25/2035	5.000%	78,000.00	82,453.80	-	3,990.48	-	86,444.28	3,575.00
	GNMA 08-7 PN REMIC MULTICLASS CMO	1/20/2037	4.250%	60,000.00	35,244.10	-	(92.36)	8,148.92	27,002.82	1,053.12
	FHLMC 3393 BY REMIC MULTICLASS CPN	11/15/2037	5.500%	94,000.00	100,110.94	-	6,310.22	-	106,421.16	4,308.30
	FNMA 2008-74B REMIC MULTICLASS CMO	9/25/1938	5.000%	50,000.00	57,018.46	-	963.70	6,911.53	51,070.63	2,655.99
	FHLMC 3626 UA REMIC MULTICLASS CMO	9/15/2039	5.000%	50,000.00	38,791.54	-	(37.79)	9,714.31	29,039.44	1,470.40
	GNMA 10-62 LA REMIC MULTICLASS CMO	1/20/2040	4.500%	50,000.00	37,891.31	-	(187.18)	19,035.39	18,668.74	1,101.05
	GNMA 10-85 HQ REMIC MULTICLASS CMO	3/20/2040	5.000%	144,000.00	135,602.69	-	76.32	23,606.47	112,072.54	5,153.66
	FNMA 10-141 AL REMIC MULTICLASS CMO	12/25/2040	4.000%	90,000.00	86,529.60	-	6,669.00	-	93,198.60	3,300.00
TOTAL WELLS FARGO					591,716.78	-	17,613.67	83,416.62	525,913.83	22,955.02
STIFEL NICOLAUS	FEDL HOME LN MTG CORP #170217	3/1/2017	8.000%	1,120,000.00	2,365.99	-	(39.80)	384.78	1,941.41	146.08
	GNMA POOL #676875	3/15/2023	6.500%	235,000.00	159,458.15	-	0.49	8,522.33	150,936.31	8,506.12
	GNMA POOL #003851	5/20/2036	5.500%	165,000.00	73,014.96	-	1,390.10	13,684.00	60,721.06	3,143.42
	GNMA REMIC SER 2009-79	2/20/2039	5.500%	56,000.00	7,221.81	-	(13.93)	7,207.88	-	106.71
	GNMA REMIC SER 2010-98	7/20/2039	4.000%	70,000.00	67,199.79	-	994.66	18,763.57	49,430.88	2,313.58
TOTAL STIFEL NICOLAUS INVESTMENT					309,260.70	-	2,331.52	48,562.56	263,029.66	14,215.91
TOTAL INVESTMENTS					925,977.48	-	19,945.19	131,979.18	813,943.49	37,202.87
TOTAL ALL ACCOUNTS					1,049,779.73	132,000.73	19,945.19	281,979.18	919,746.47	37,224.42

PUEBLO CONSERVANCY DISTRICT

NOVEMBER 2011 - DECEMBER 2011

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 572.38
First Clearing, LLC	Interest Payment	\$ 846.48
First Clearing, LLC	Interest Payment	\$ 655.27
Stifel Nicolaus	Interest Payment	\$ 1,190.74
Wells Fargo	ColoTrust Dividend	\$ 1.50
Pueblo County Treasurer	Maintenance Fund Assessment	\$ 133.29
Pueblo County Treasurer	Maintenance Fund Assessment	\$ 6,706.26
		\$ 10,105.92

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Black Hills Energy	Electrical Billing	\$ 530.00	3872	105
MBDG, PC	Bookkeeping	\$ 300.00	3873	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3874	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3875	83
Director Phillips	Fees	\$ 56.61	3876	81
Director Tapia	Fees	\$ 56.61	3877	81
Director Willumstad	Fees	\$ 56.61	3878	81
Pueblo Chieftain	Budget Notice Publication	\$ 49.50	3879	96
Post Master	Post Office Box Rental	\$ 55.00	3880	96
Union Plaza Senior Housing	Refund of Excess Assessment	\$ 3,299.19	3881	
		\$ 5,303.52		

**PUEBLO CONSERVANCY DISTRICT
2012 BUDGET**

PROPOSED AT NOVEMBER 17, 2011 MEETING

	2011 BUDGET	2011 Actual to 10/30/11	2011 Projected	2012 BUDGET
REVENUES				
Interest	\$ 40,000	\$ 30,222	\$ 36,500	\$ 40,000
Unrealized Gains	\$ -	\$ 24,988	\$ 25,000	\$ -
Maintenance Fund Assessment	\$ 332,000	\$ 176,552	\$ 180,000	\$ -
Leases, Books, Other	\$ 2,500	\$ 2,083	\$ 2,500	\$ 2,500
Other Income	\$ -	\$ 15,132	\$ 15,132	\$ -
Cost of Sales	\$ -			\$ -
Total Revenues	\$ 374,500	\$ 248,977	\$ 259,132	\$ 42,500
EXPENDITURES				
Legal Fees	\$ 4,800	\$ 16,213	\$ 17,500	\$ 4,800
Directors Fees	\$ 3,000	\$ 2,160	\$ 2,520	\$ 2,160
FICA Taxes	\$ 230	\$ -	\$ 195	\$ 230
Engineer/Administrative	\$ 6,000	\$ 4,906	\$ 6,000	\$ 6,000
Audit & Bookkeeping	\$ 3,900	\$ 2,700	\$ 3,300	\$ 3,900
Insurance/Bonds	\$ 3,200	\$ 3,056	\$ 3,056	\$ 3,200
Office Expense	\$ 500	\$ 748	\$ 800	\$ 500
Office Rent/Storage	\$ 1,000	\$ 840	\$ 1,000	\$ 840
Professional Fees	\$ 10,000	\$ 4,540	\$ 4,540	\$ 10,000
Appraisal	\$ 3,000	\$ -	\$ -	\$ 30,000
Travel	\$ 1,200	\$ -	\$ -	\$ -
Repairs & Maintenance	\$ 50,000	\$ 19,786	\$ 20,700	\$ 20,000
Arkansas River Levee Repairs	\$ 220,000	\$ 194,174	\$ 194,174	\$ 50,000
Wildhorse/Dry Creek Levee Preliminary Design				\$ 20,000
Levee Certification -- Preliminary Work	\$ 50,000	\$ -	\$ -	\$ 25,000
Contingencies	\$ 5,000	\$ -	\$ -	\$ 5,000
Emergency Repairs	\$ 15,000	\$ -	\$ -	\$ 15,000
Capital Improvements	\$ 25,000	\$ -	\$ -	\$ -
Planning & Development	\$ 5,000	\$ 1,453	\$ 1,500	\$ 5,000
HARP -- IGA Contribution	\$ 50,000	\$ 50,000	\$ 50,000	\$ 35,000
HARP -- O&M	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Expenditures	\$ 466,830	\$ 310,576	\$ 315,285	\$ 246,630
Excess of Revenues Over (Under) Expenditures	\$ (92,330)	\$ (61,599)	\$ (56,153)	\$ (204,130)
Beginning Reserve Fund Balance	\$ 1,177,687	\$ 1,129,787	\$ 1,129,787	\$ 1,076,634
Ending Reserve Fund Balance	\$ 1,085,357	\$ 1,068,188	\$ 1,073,634	\$ 872,504

River Repair project

High Line Canal River Repair Budget

Budgeted				67000	84125	-17125
real					74125	
In House						
Labor	hrs	2424	12.5	30300	15150	
Fuel	gal	8000	3.65	29200	14600	
Transit mix		2500	3	7500	7500	
M&S trucking		2500	5.75	14375	14375	
Tucker Custom Servivces				32500	22500	
Needed to finish job	TCS			10000	10000	

784000 Total
Estimate

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
DECEMBER 31, 2011 AND DECEMBER 31, 2010

12/31/2012

12/31/2010

ASSETS

VECTRA BANK CHECKING	\$ 151,933	\$ 78,575
VECTRA BANK MONEY MARKET	11,895	11,889
BROKERAGE MONEY MARKET ACCOUNTS	115,624	111,913
COLOTRUST INVESTMENT	25,000	25,000
WELLS FARGO INVESTMENT	513,045	591,717
STIFEL NICOLAUS INVESTMENT	256,208	309,261
ACCRUED INTEREST		3,669
TOTAL ASSETS	<u>\$ 1,073,705</u>	<u>\$ 1,132,024</u>

LIABILITIES AND FUND EQUITY

ACCOUNTS PAYABLE	\$ -	\$ 800
PAYROLL TAXES PAYABLE	142	395
DEFERRED INCOME	<u>1,042</u>	<u>1,042</u>
TOTAL LIABILITIES	<u>1,184</u>	<u>2,237</u>
RESERVE FOR EMERGENCIES	-	6,000
DESIGNATED FOR SUBSEQUENT		
YEAR'S EXPENDITURES	92,330	-
UNDESIGNATED	<u>980,191</u>	<u>1,123,787</u>
TOTAL FUND EQUITY	<u>1,072,521</u>	<u>1,129,787</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,073,705</u>	<u>\$ 1,132,024</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2011
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2010

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2011 BUDGET	UNUSED BUDGET	2010 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 2	\$ 29	\$ -	\$ -	\$ 50
MONEY MARKET ACCOUNTS	1	23	-	-	38
WELLS FARGO	2,633	23,985	-	-	26,656
STIFEL NICOLAUS	1,191	13,345	-	-	18,258
UNREALIZED GAINS (LOSSES)	2,024	21,969	-	-	2,674
TOTAL INTEREST INCOME	5,851	59,351	40,000	(19,351)	47,676
MAINTENANCE FUND ASSESSMENT	3,540	180,092	332,000	151,908	169,415
LEASE PAYMENTS	208	2,500	2,500	-	2,500
OTHER INCOME	-	15,132	-	(15,132)	-
TOTAL REVENUES	\$ 9,599	\$ 257,075	\$ 374,500	\$ 117,425	\$ 219,591
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 17,014	\$ 4,800	\$ (12,214)	\$ 4,800
81 DIRECTORS FEES	180	2,520	3,000	480	2,580
82 FICA TAXES	-	-	230	230	197
83 ENGINEER/ADMINISTRATIVE	500	6,187	6,000	(187)	6,000
90 AUDIT & BOOKKEEPING	300	3,300	3,900	600	3,600
92 INSURANCE/BONDS	-	3,056	3,200	144	817
96 OFFICE EXPENSE	104	892	500	(392)	228
97 OFFICE RENT	-	890	1,000	110	940
100 PROFESSIONAL FEES	-	4,540	10,000	5,460	6,241
APPRAISAL	-	-	3,000	3,000	-
103 TRAVEL	-	-	1,200	1,200	-
105 REPAIRS & MAINTENANCE	530	20,316	50,000	29,684	30,508
ARKANSAS RIVER LEVEE REPAIRS	-	194,174	220,000	25,826	-
LEVEE CERTIFICATION-PRELIM	-	-	50,000	-	-
108 CONTINGENCIES	-	-	5,000	5,000	-
109 EMERGENCY REPAIR	-	-	15,000	15,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	23,265
111 PLANNING & DEVELOPMENT	-	1,453	5,000	3,547	-
112 HARP - O & M / HARP - IGA CNTRB	-	60,000	60,000	-	61,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	2,014	314,342	466,830	152,488	140,176
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 7,585	\$ (57,267)	\$ (92,330)	\$ (35,063)	\$ 79,415

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
12/31/2011

1/25/2012 9:01 AM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2010</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/2011</u>	<u>INTEREST RECEIVED 12/31/2011</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,888.97	5.44	-	-	11,894.41	5.44
STIFEL NICOLAUS	Money Market Account				53,074.99	55,251.35	-	70,000.00	38,326.34	13.04
WELLS FARGO	Cash Sweep Account				58,838.29	98,459.62	-	80,000.00	77,297.91	3.91
TOTAL CASH ACCOUNTS WITH BROKERS					123,802.25	153,716.41	-	150,000.00	127,518.66	22.39
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	33.44
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	33.44
WELLS FARGO	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	17,075.14	-	(75.14)	17,000.00	-	354.16
	FHLMC 2640 LL RETAIL LOTTERY	7/15/2033	5.000%	70,000.00	999.20	-	0.80	1,000.00	-	4.17
	FNMA 06-107 PD REMIC MULTICLASS CMO	6/25/2035	5.000%	78,000.00	82,453.80	-	3,987.36	-	86,441.16	3,900.00
	GNMA 08-7 PN REMIC MULTICLASS CMO	1/20/2037	4.250%	60,000.00	35,244.10	-	(165.75)	8,646.69	26,431.66	1,145.30
	FHLMC 3393 BY REMIC MULTICLASS CPN	11/15/2037	5.500%	94,000.00	100,110.94	-	6,820.64	-	106,931.58	5,169.96
	FNMA 2008-74B REMIC MULTICLASS CMO	9/25/1938	5.000%	50,000.00	57,018.46	-	1,065.92	9,871.88	48,212.50	2,877.47
	FHLMC 3626 UA REMIC MULTICLASS CMO	9/15/2039	5.000%	50,000.00	38,791.54	-	(12.49)	11,665.21	27,113.84	1,719.75
	GNMA 10-62 LA REMIC MULTICLASS CMO	1/20/2040	4.500%	50,000.00	37,891.31	-	(234.14)	21,935.13	15,722.04	1,181.32
	GNMA 10-85 HQ REMIC MULTICLASS CMO	3/20/2040	5.000%	144,000.00	135,602.69	-	354.59	28,336.80	107,620.48	5,636.48
	FNMA 10-141 AL REMIC MULTICLASS CMO	12/25/2040	4.000%	90,000.00	86,529.60	-	8,042.40	-	94,572.00	3,600.00
TOTAL WELLS FARGO					591,716.78	-	19,784.19	98,455.71	513,045.26	25,588.61
STIFEL NICOLAUS	FEDL HOME LN MIG CORP #170217	3/1/2017	8.000%	1,120,000.00	2,365.99	-	(77.70)	410.69	1,877.60	157.92
	GNMA POOL #676875	3/15/2023	6.500%	235,000.00	159,458.15	-	(94.00)	9,357.72	150,006.43	9,253.73
	GNMA POOL #003851	5/20/2036	5.500%	165,000.00	73,014.96	-	1,484.63	15,243.48	59,256.11	3,395.83
	GNMA REMIC SER 2009-79	2/20/2039	5.500%	56,000.00	7,221.81	-	(13.93)	7,207.88	-	106.71
	GNMA REMIC SER 2010-98	7/20/2039	4.000%	70,000.00	67,199.79	-	886.02	23,018.54	45,067.27	2,492.46
TOTAL STIFEL NICOLAUS INVESTMENT					309,260.70	-	2,185.02	55,238.31	256,207.41	15,406.65
TOTAL INVESTMENTS					925,977.48	-	21,969.21	153,694.02	794,252.67	41,028.70
TOTAL ALL ACCOUNTS					1,049,779.73	153,716.41	21,969.21	303,694.02	921,771.33	41,051.09